

**ASSEMBLY, No. 4491**

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**STATE OF NEW JERSEY**

**218th LEGISLATURE**

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INTRODUCED SEPTEMBER 24, 2018

**Sponsored by:**

**Assemblyman ERIC HOUGHTALING**

**District 11 (Monmouth)**

**Assemblyman RONALD S. DANCER**

**District 12 (Burlington, Middlesex, Monmouth and Ocean)**

**SYNOPSIS**

Permits DCA to allocate funds for farm worker housing projects.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 6/14/2019)**

1 AN ACT concerning farm worker housing and amending P.L.1985,  
2 c.222.

3  
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
5 *of New Jersey:*

6  
7 1. Section 20 of P.L.1985, c.222 (C.52:27D-320) is amended to  
8 read as follows:

9 20. There is established in the Department of Community  
10 Affairs a separate trust fund, to be used for the exclusive purposes  
11 as provided in this section, and which shall be known as the "New  
12 Jersey Affordable Housing Trust Fund." The fund shall be a non-  
13 lapsing, revolving trust fund, and all monies deposited or received  
14 for purposes of the fund shall be accounted for separately, by source  
15 and amount, and remain in the fund until appropriated for such  
16 purposes. The fund shall be the repository of all State funds  
17 appropriated for affordable housing purposes, including, but not  
18 limited to, the proceeds from the receipts of the additional fee  
19 collected pursuant to paragraph (2) of subsection a. of section 3 of  
20 P.L.1968, c.49 (C.46:15-7), proceeds from available receipts of the  
21 Statewide non-residential development fees collected pursuant to  
22 section 35 of P.L.2008, c.46 (C.40:55D-8.4), monies lapsing or  
23 reverting from municipal development trust funds, or other monies  
24 as may be dedicated, earmarked, or appropriated by the Legislature  
25 for the purposes of the fund. All references in any law, order, rule,  
26 regulation, contract, loan, document, or otherwise, to the  
27 "Neighborhood Preservation Nonlapsing Revolving Fund" shall  
28 mean the "New Jersey Affordable Housing Trust Fund." The  
29 department shall be permitted to utilize annually up to 7.5 percent  
30 of the monies available in the fund for the payment of any  
31 necessary administrative costs related to the administration of the  
32 "Fair Housing Act," P.L.1985, c.222 (C.52:27D-301 et al.), or any  
33 costs related to administration of P.L.2008, c.46 (C.52:27D-329.1 et  
34 al.).

35 a. Except as permitted pursuant to subsection g. of this section,  
36 and by section 41 of P.L.2009, c.90 (C.52:27D-320.1), the  
37 commissioner shall award grants or loans from this fund for  
38 housing projects and programs in municipalities whose housing  
39 elements have received substantive certification from the council, in  
40 municipalities receiving State aid pursuant to P.L.1978, c.14  
41 (C.52:27D-178 et seq.), in municipalities subject to a builder's  
42 remedy as defined in section 28 of P.L.1985, c.222 (C.52:27D-328),  
43 or in receiving municipalities in cases where the council has  
44 approved a regional contribution agreement and a project plan  
45 developed by the receiving municipality.

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is  
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1     The commissioner may, in addition to other grants or loans  
2     awarded pursuant to this section, allocate such amounts as may be  
3     necessary in the commissioner's discretion, to provide loans to  
4     development companies to fund farm worker housing projects,  
5     undertaken by one or more agricultural producers, for the  
6     construction or improvement of dwelling accommodations for farm  
7     workers who are not family members of the agricultural producers.  
8     For purposes of this section, "agricultural producer" shall mean a  
9     person or entity which owns or operates land and which produces  
10    food by the tillage of the soil, or raises, sheers, feeds or manages  
11    animals or other dairying processes. The commissioner may use the  
12    resources held in the fund to make non-interest bearing loans, not to  
13    exceed \$100,000 per project, to housing development companies to  
14    fund farm worker housing projects.

15    A loan shall only be made with respect to a farm worker housing  
16    project if the commissioner finds that the housing development  
17    company proposes to finance the project in whole or in part by a  
18    mortgage or construction loan, and that the project will provide  
19    housing for persons or families of low or moderate income in at  
20    least 20 percent of the units. Each loan shall either be consolidated  
21    with the lien of a mortgage, or be repaid in full by the housing  
22    development company to the Department of Community Affairs.  
23    Repayment of the loan from the department shall be made  
24    concurrent with receipt by the housing development company or its  
25    successor in interest, of the proceeds of its mortgage or construction  
26    loan, unless the commissioner shall extend the period for the  
27    repayment of those advances.

28    Of those monies deposited into the "New Jersey Affordable  
29    Housing Trust Fund" that are derived from municipal development  
30    fee trust funds, or from available collections of Statewide non-  
31    residential development fees, a priority for funding shall be  
32    established for projects in municipalities that have petitioned the  
33    council for substantive certification.

34    Programs and projects in any municipality shall be funded only  
35    after receipt by the commissioner of a written statement in support  
36    of the program or project from the municipal governing body.

37    b. The commissioner shall establish rules and regulations  
38    governing the qualifications of applicants, the application  
39    procedures, and the criteria for awarding grants and loans and the  
40    standards for establishing the amount, terms, and conditions of each  
41    grant or loan.

42    c. For any period which the council may approve, the  
43    commissioner may assist affordable housing programs which are  
44    not located in municipalities whose housing elements have been  
45    granted substantive certification or which are not in furtherance of a  
46    regional contribution agreement; provided that the affordable  
47    housing program will meet all or part of a municipal low and  
48    moderate income housing obligation.

1 d. Amounts deposited in the "New Jersey Affordable Housing  
2 Trust Fund" shall be targeted to regions based on the region's  
3 percentage of the State's low and moderate income housing need as  
4 determined by the council. Amounts in the fund shall be applied for  
5 the following purposes in designated neighborhoods:

6 (1) Rehabilitation of substandard housing units occupied or to  
7 be occupied by low and moderate income households;

8 (2) Creation of accessory apartments to be occupied by low and  
9 moderate income households;

10 (3) Conversion of non-residential space to residential purposes;  
11 provided a substantial percentage of the resulting housing units are  
12 to be occupied by low and moderate income households;

13 (4) Acquisition of real property, demolition and removal of  
14 buildings, or construction of new housing that will be occupied by  
15 low and moderate income households, or any combination thereof;

16 (5) Grants of assistance to eligible municipalities for costs of  
17 necessary studies, surveys, plans, and permits; engineering,  
18 architectural, and other technical services; costs of land acquisition  
19 and any buildings thereon; and costs of site preparation, demolition,  
20 and infrastructure development for projects undertaken pursuant to  
21 an approved regional contribution agreement;

22 (6) Assistance to a local housing authority, nonprofit or limited  
23 dividend housing corporation, or association or a qualified entity  
24 acting as a receiver under P.L.2003, c.295 (C.2A:42-114 et al.) for  
25 rehabilitation or restoration of housing units which it administers  
26 which: (a) are unusable or in a serious state of disrepair; (b) can be  
27 restored in an economically feasible and sound manner; and (c) can  
28 be retained in a safe, decent, and sanitary manner, upon completion  
29 of rehabilitation or restoration; and

30 (7) Other housing programs for low and moderate income  
31 housing, including, without limitation, (a) infrastructure projects  
32 directly facilitating the construction of low and moderate income  
33 housing not to exceed a reasonable percentage of the construction  
34 costs of the low and moderate income housing to be provided and  
35 (b) alteration of dwelling units occupied or to be occupied by  
36 households of low or moderate income and the common areas of the  
37 premises in which they are located in order to make them accessible  
38 to persons with disabilities.

39 e. Any grant or loan agreement entered into pursuant to this  
40 section shall incorporate contractual guarantees and procedures by  
41 which the division will ensure that any unit of housing provided for  
42 low and moderate income households shall continue to be occupied  
43 by low and moderate income households for at least 20 years  
44 following the award of the loan or grant, except that the division  
45 may approve a guarantee for a period of less than 20 years where  
46 necessary to ensure project feasibility.

47 f. Notwithstanding the provisions of any other law, rule, or  
48 regulation to the contrary, in making grants or loans under this

1 section, the department shall not require that tenants be certified as  
2 low or moderate income or that contractual guarantees or deed  
3 restrictions be in place to ensure continued low and moderate  
4 income occupancy as a condition of providing housing assistance  
5 from any program administered by the department, when that  
6 assistance is provided for a project of moderate rehabilitation if the  
7 project: (1) contains 30 or fewer rental units; and (2) is located in a  
8 census tract in which the median household income is 60 percent or  
9 less of the median income for the housing region in which the  
10 census tract is located, as determined for a three person household  
11 by the council in accordance with the latest federal decennial  
12 census. A list of eligible census tracts shall be maintained by the  
13 department and shall be adjusted upon publication of median  
14 income figures by census tract after each federal decennial census.

15 g. In addition to other grants or loans awarded pursuant to this  
16 section, and without regard to any limitations on such grants or  
17 loans for any other purposes herein imposed, the commissioner  
18 shall annually allocate such amounts as may be necessary in the  
19 commissioner's discretion, and in accordance with section 3 of  
20 P.L.2004, c.140 (C.52:27D-287.3), to fund rental assistance grants  
21 under the program created pursuant to P.L.2004, c.140 (C.52:27D-  
22 287.1 et al.). Such rental assistance grants shall be deemed  
23 necessary and authorized pursuant to P.L.1985, c.222 (C.52:27D-  
24 301 et al.), in order to meet the housing needs of certain low income  
25 households who may not be eligible to occupy other housing  
26 produced pursuant to P.L.1985, c.222 (C.52:27D-301 et al.).

27 h. The department and the State Treasurer shall submit the  
28 "New Jersey Affordable Housing Trust Fund" for an audit annually  
29 by the State Auditor or State Comptroller, at the discretion of the  
30 Treasurer. In addition, the department shall prepare an annual  
31 report for each fiscal year, and submit it by November 30th of each  
32 year to the Governor and the Legislature, and the Joint Committee  
33 on Housing Affordability, or its successor, and post the information  
34 to its web site, of all activity of the fund, including details of the  
35 grants and loans by number of units, number and income ranges of  
36 recipients of grants or loans, location of the housing renovated or  
37 constructed using monies from the fund, the number of units upon  
38 which affordability controls were placed, and the length of those  
39 controls. The report also shall include details pertaining to those  
40 monies allocated from the fund for use by the State rental assistance  
41 program pursuant to section 3 of P.L.2004, c.140 (C.52:27D-287.3)  
42 and subsection g. of this section.

43 i. The commissioner may award or grant the amount of any  
44 appropriation deposited in the "New Jersey Affordable Housing  
45 Trust Fund" pursuant to section 41 of P.L.2009, c.90 (C.52:27D-  
46 320.1) to municipalities pursuant to the provisions of section 39 of  
47 P.L.2009, c.90 (C.40:55D-8.8).  
48 (cf: P.L.2017, c.131, s.200)

1       2. This act shall take effect immediately.

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STATEMENT

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6       This bill would permit the Commissioner of Community Affairs  
7 to allocate, at the commissioner's discretion, resources from the  
8 New Jersey Affordable Housing Trust Fund, to be used to fund farm  
9 worker housing projects. The commissioner may use the resources  
10 held in the fund to make non-interest bearing loans, not to exceed  
11 \$100,000 per project, to housing development companies to fund  
12 farm worker housing projects for the construction or improvement  
13 of dwelling accommodations for farm workers. A loan will only be  
14 made with respect to a farm worker housing project if the  
15 commissioner finds that the housing development company  
16 proposes to finance the project in whole or in part by a mortgage or  
17 construction loan, and that the project will provide housing for  
18 persons or families of low income.

19       Each loan shall either be consolidated with the lien of a  
20 mortgage, or be repaid in full by the housing development company  
21 to the Department of Community Affairs.